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C O N F I D E N T I A L SECTION 01 OF 03 AMMAN 001789

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SUBJECT: MALIKI'S VISIT TO AMMAN SETS A POSITIVE TONE

REF: A. AMMAN 1723 B. AMMAN 1666 C. AMMAN 1579 D. AMMAN 1658 E. AMMAN 1393 F. AMMAN 927 G. 07 AMMAN 4278 H. 07 AMMAN 4217 I. 07 AMMAN 3819

Classified By: Ambassador David Hale for reasons 1.4 (b) and (d).

Classified By: Ambassador David Hale for reasons 1.4 (b) and (1. (C) Summary. The King and his senior team members separately have told us of their great satisfaction with the June 12-13 visit to Jordan by Iraqi Prime Minister Nouri al-Maliki. All of the Jordanians' key objectives were met: a turning of the page in the relationship, acknowledgment by Maliki of his need to improve his image with Sunni Arab state leaders, closer strategic thinking about Iran, a supportive tone on responsibility for helping Iraqi refugees in Jordan and working toward their return to Iraq, a renewed oil deal, and a structure for discussing economic and financial cooperation. Amman's commentariat is generally upbeat about the visit, although there is some skepticism about whether it will result in major breakthroughs. For Jordan, implementation of the oil agreement will be a key marker of progress in the relationship. Jordan reconfirmed its intention to send an Ambassador to Baghdad, despite concerns among commentators about security and the signals that such a message would send. End Summary.

GOJ Assessments Generally Positive

- 12. (C) Across the board, key members of the GOJ expressed their satisfaction with the positive tone of Maliki's visit. The King expressed his pleasure with the visit to the Ambassador on June 15. He said the tone was right, he and the Iraqi leader found much common ground in a strategic review of the region, and the King planned to keep momentum going in improving the relationship. He believed he put the "Saddam yacht" issue behind them by presenting it as a gift to Maliki (and thereby evading mounting legal fees in a dispute over a yacht he never wanted). Chief of the Royal Court Bassem Awadallah and Royal Protocol Chief Haymug separately praised the visit to the Ambassador. Haymug was struck by the excellent rapport between the two leaders, who were relaxed throughout. The King drove Maliki personally from the meeting to the Iraqi's hotel, reportedly tickling Maliki (a hallmark of Hashemite diplomacy is to personally drive honored foreigners by car, boat, plane, or helicopter, in ascending order of hairiness). Awadallah said Maliki acknowledged he had an image problem with Sunni Arab state leaders; he planned to continue to address that issue. He expressed appreciation for Jordan's help. He reportedly acknowledged responsibility for Iraqi refugees in Jordan, spoke of the need to organize their orderly return, and claimed many were already returning (sic). 12. (C) Across the board, key members of the GOJ expressed
- 13. (C) GID Director Mohammed Dahabi told the Ambassador he used the occasion to re-confirm that Jordan would send an Ambassador to Baghdad. Pleased with Maliki's comments about refugees, Dahabi in turn offered to ease Jordanian border and visa restrictions. With the Ambassador, Dahabi made future progress in the relationship contingent on implementation of the oil deal. A few days later, the King in Dahabi's presence made clear to us he will move forward quickly regardless of the pace on oil.
- 14. (C) With the King, there was only general discussion of economic issues, which were left to a working dinner hosted by Prime Minister Dahabi. We are awaiting detailed readouts on the dinner, but the Foreign Minister described it as also relaxed and cordial in tone. Renewal of the 2006 oil protocol was confirmed, as was an Iraqi offer to sell oil at an \$18 discount. Details on this matter and economic and financial cooperation will be handled by follow-up visits at the ministerial level.

Commentariat: Forward Motion or Same Old Same Old?

- 15. (C) Senator Marwan Dudin, a frequent commentator on Jordanian foreign policy, told us he was upbeat about the visit, which he called "long overdue." Dudin argued that this visit was especially positive because it dealt with bilateral issues, avoiding the distractions of Arab multilateral diplomacy. Dr. Bassem Kakish, former Jordanian Ambassador to Iraq, was also pleased that Maliki had come to Amman. He stressed that any dialogue at all between Iraq and Jordan at high levels was positive. However, he also emphasized that meeting goals after the visit was contingent on Maliki's ability to execute agreements made in Amman. He thought that the U.S. could help push Maliki.
- 16. (C) Dr. Nawaf al-Tel, head of the Center for Strategic Studies at the University of Jordan and formerly of the Foreign Ministry, lamented to us the fact that little visible progress had been made on debt, refugee, and bilateral trade issues. He called the renewal of the oil deal the only good thing that came from the meeting, at the same time doubting that it would be implemented. When asked if groundwork had been laid for future negotiations, he declared that the groundwork had been laid many times before; there were no surprise issues, and both sides knew what the other had in mind, so the perceived lack of resolve on key issues was disappointing. Tel blamed Maliki. He cited Maliki's "indecision," and risk aversion as limiting his willingness to make concessions to Jordan.
- 17. (C) In this Sunni Arab country, many non-GOJ contacts remain wary of Maliki just because he is Shia and because

they still believe - despite actions to the contrary - that he is too subject to Iranian influence. Speaking on Dubai-based Al-Sharqiya, journalist Jamil al-Nimri stated the commonly held conviction that "Jordan can support Maliki in as much as he rises above acting as a representative of a certain faction or party rather than as a leader or Prime Minister for all." Faisal al-Rfouh, head of the Political Science Department at the University of Jordan, said, "we have to engage with Maliki, but we can't trust him." Rfouh wondered out loud if Jordan's reception of Maliki idn't inadvertently support Iranian goals. He advocated a watchful eye on Maliki's relations with Iran, and suggested that the recent offensive in Basra was an aberration. Fethullah Umrani, head of Jordan's Textile Trade Union, asserted that Iraqi-Jordanian rapprochement was part of Iran's regional strategy to expand its relations with (and influence over) moderate Arab states. These views are not shared by Jordan's leadership, but reflect the challenge they face in persuading a skeptical public of the merits of their new strategy.

18. (C) Regarding the oil deal, unofficial contacts seemed pleased that the oil issue was addressed, but expressed skepticism that promises turn into action. Dudin said that the failure of the previous oil agreement to result in any meaningful amount of oil arriving in Jordan was in part political. He thought that the GoI might be more willing to deliver oil now that Jordan would be sending an ambassador to Iraq. Dudin hoped that Maliki's visit would give Iraq the impetus to focus on the logistics of oil delivery. Kakish agreed, saying the oil deal was positive, but would be "signatures on paper" until oil reached Jordan. Kakish wondered if Maliki would stay in power long enough to see the deal through. Tel said that a non-functioning and unimplemented deal had simply been re-signed, and would continue to be no use to Jordan. Marwan Kardoosh, an economist at the Jordan Business Magazine, asserted that Jordan still needs to address its energy deficit and budget problems directly instead of depending on the goodwill of its neighbors. Note: Jordanians in the transport section blame security conditions in Iraq for the failure of previous oil agreements. Of 166 trucks of Iraqi oil, only 40 reached the refinery. Some trucks simply disappeared and oil was pilfered from many that made it to the border (Ref H). The GOJ has a comprehensive energy strategy that is not dependent on increased oil imports from Iraq. Such imports, however, at a subsidized rate would ease short-term pressures on Jordan and signal a new chapter in the bilateral relationship. End note.

Jordanian Ambassador in Baghdad

19. (U) The GOJ announced on June 9 its intention to send an ambassador to Baghdad in order to further bilateral relations and support the political process in and stability of Iraq. Maliki, in statements to the Jordanian press, said that discussions had taken place in Amman on expediting an ambassador's arrival.

110. (SBU) Maliki's visit came amid demands from politicians and commentators that all bilateral issues should be resolved before an ambassador is sent to Baghdad. Ten MPs issued a memo demanding that no ambassador be sent because of various shortcomings in the relationship: Iraq refusing to adequately acknowledge Iraqis living in Jordan, Iraq disfavoring Jordan in economic transactions and not using Jordanian border crossings, and not resolving the issue of Iraq's debt to Jordan (to Jordan's favor).

111. (C) Some of our contacts have mixed feelings about sending an ambassador to Baghdad. Dudin said that Jordan ought to be represented in Baghdad, but judged that the move should not be taken just to please Maliki and the Iraqis: "Jordan is not a PR department for the Iraqi government." He thought dispatching an ambassador was part of a new strategy on the part of the GOJ to be "softer" (more forgiving and less rigid) towards Iraq. He mirrored most Jordanian commentators by expressing concern about the security situation in Baghdad. Tel was disappointed by the Jordanian position on sending an ambassador to Baghdad. He argued that Jordan had made a significant concession to Iraq in agreeing to send an ambassador, but that Iraq was not making any concessions to Jordan on key issues.

Iraqi Debt

112. (C) Maliki's visit did not appear to result in any significant advance on the issue of Iraqi debt. The Jordanian press reports that although the issue was discussed, no settlement was reached. Press further reports that joint committees composed of representatives from the Jordanian and Iraqi Central Banks and Finance Ministries will meet in the near future to address debt issue (they have been meeting periodically for some time). Dudin argued that the GOI's failure to resolve the debt issue indicates that the GOI is unwilling to be magnanimous with Jordan. Still, Dudin was hopeful that increased bilateral contact between Jordan and Iraq could help bring about a resolution closer. Note: The GOJ as of May 7 had offered to cancel the interest on Iraq's debt, and reschedule payment of the principle (Ref E). End Note.

Comment

113. (C) Maliki's visit was a triumph of tone and atmospherics. That positive tone bodes well as the GOJ, at King Abdullah's behest, works to reengage Iraq with a more coherent and forward-looking strategy. This visit was an early step in bringing that relationship onto a more normal footing. The King sees a need to move fast before the window of opportunity shuts.

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Hale